

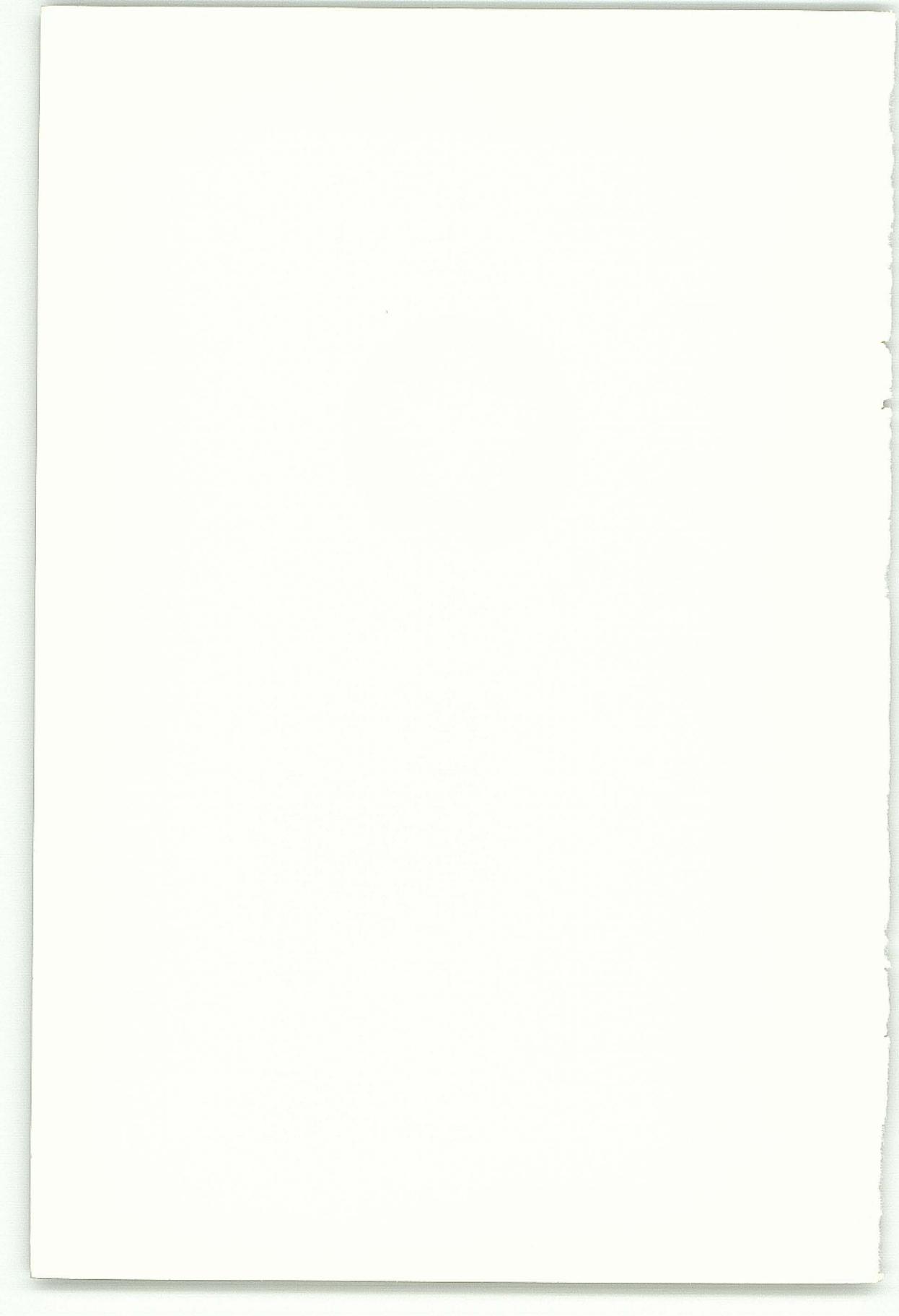
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ANNUAL REPORT TO STOCKHOLDERS



1962

THE COCA-COLA COMPANY
WILMINGTON, DELAWARE



ANNUAL REPORT

**THE COCA-COLA COMPANY
AND SUBSIDIARIES**

FOR THE YEAR **1962**

BOARD OF DIRECTORS

- A. A. Acklin, Atlanta, Ga.**
Retired. Former President, The Coca-Cola Company
- J. Paul Austin, Atlanta, Ga.**
President, The Coca-Cola Company
- C. H. Candler, Jr., Atlanta, Ga.**
President, Asa G. Candler, Inc.
- William A. Coolidge, Cambridge, Mass.**
Director of Various Corporations
- R. R. Deupree, Cincinnati, Ohio**
*Honorary Chairman, Board of Directors,
The Procter & Gamble Company*
- James A. Farley, New York, N. Y.**
Chairman, Board of Directors, The Coca-Cola Export Corporation
- R. W. Freeman, New Orleans, La.**
President, The Louisiana Coca-Cola Bottling Company, Ltd.
- Bernard F. Gimbel, New York, N. Y.**
Chairman, Board of Directors, Gimbel Brothers, Inc.
- Lindsey Hopkins, Miami, Fla.**
Chairman, Board of Directors, Security Trust Company
- Harrison Jones, Atlanta, Ga.**
*Retired. Former Chairman,
Board of Directors, The Coca-Cola Company*
- John T. Lupton, Chattanooga, Tenn.**
*President, Dallas Coca-Cola Bottling Works and
Houston Coca-Cola Bottling Company*
- B. H. Oehlert, Jr., Orlando, Fla.**
*President, Minute Maid Company,
a Division of The Coca-Cola Company,
and Vice President, The Coca-Cola Company*
- William E. Robinson, Greenwich, Conn.**
*Retired. Former President and Chairman,
Board of Directors, The Coca-Cola Company*
- Hughes Spalding, Atlanta, Ga.**
Attorney, member of firm of King & Spalding
- Lee Talley, Atlanta, Ga.**
Chairman, Board of Directors, The Coca-Cola Company
- Charles E. Thwaite, Jr., Atlanta, Ga.**
Chairman, Board of Directors, Trust Company of Georgia
- D. A. Turner, Columbus, Ga.**
*Chairman, Boards of Directors, Columbus Bank &
Trust Co. and W. C. Bradley Co.*
- George W. Woodruff, Atlanta, Ga.**
Director of Various Corporations
- R. W. Woodruff, Atlanta, Ga.**
Chairman, Finance Committee, The Coca-Cola Company

THE COCA-COLA COMPANY

OFFICERS

Lee Talley	<i>Chairman, Board of Directors</i>
J. Paul Austin	<i>President</i>
Edgar J. Forio	<i>Senior Vice President</i>
Charles W. Adams	<i>Vice President</i>
Ralph J. Barry	<i>Vice President</i>
Hunter S. Bell	<i>Vice President</i>
C. E. Boyd, Jr.	<i>Vice President</i>
George A. Callard	<i>Vice President</i>
Ovid R. Davis	<i>Vice President</i>
Samuel N. Gardner	<i>Vice President</i>
Ralph H. Garrard	<i>Vice President</i>
C. W. Hodgson	<i>Vice President</i>
M. S. Hodgson, Jr.	<i>Vice President</i>
Thomas C. Law, Jr.	<i>Vice President</i>
O. E. May	<i>Vice President</i>
B. H. Oehlert, Jr.	<i>Vice President</i>
Harold S. Sharp	<i>Vice President</i>
C. A. Shillinglaw	<i>Vice President</i>
E. D. Sledge	<i>Vice President</i>
J. Lucian Smith	<i>Vice President</i>
John C. Staton	<i>Vice President</i>
John D. Goodloe	<i>General Counsel</i>
W. A. Boykin, Jr.	<i>Treasurer</i>
J. W. Jones	<i>Secretary</i>
Fillmore B. Eisenberg	<i>Controller</i>

DIVISIONS OF THE COCA-COLA COMPANY

MINUTE MAID COMPANY

B. H. Oehlert, Jr. *President*
Walter A. Bonvie *Vice President*
Henry Cragg *Vice President*
Robert Fey *Vice President*
F. J. Leforgeais *Vice President*
B. M. Middlebrooks *Vice President*
A. G. Munkelt *Vice President*
W. R. Roy *Vice President*
H. W. Schwarz *Vice President*
W. E. Speeler. *Vice President, Secretary and General Counsel*
A. J. Thurman *Vice President*
John E. Nuckolls *Treasurer*
George Borysewicz *Controller*

TENCO

Edward Aborn *President*
Dudley A. Tremble *Executive Vice President*
Edward T. Down *Vice President*
Albert P. Morrow *Vice President*
George W. Peabody *Vice President and Secretary*
Frank W. Bachmann *Treasurer and Controller*

FANTA BEVERAGE COMPANY

Fred W. Dickson *President*
W. A. Boykin, Jr. *Vice President*
Carl M. Jernigan *Vice President*
Walter L. Susong *Secretary*

FOREIGN OPERATIONS

THE COCA-COLA EXPORT CORPORATION

James A. Farley, New York, N. Y.	<i>Chairman, Board of Directors</i>
J. Paul Austin, Atlanta, Georgia	<i>President</i>
John R. Talley, New York, N. Y.	<i>Executive Vice President</i>
Max Keith, Essen, Germany	<i>Senior Vice President</i>
H. F. MacMillan, New York, N. Y.	<i>Senior Vice President and General Counsel</i>
H. B. Nicholson, Jr., Brussels, Belgium	<i>Senior Vice President</i>
R. M. Thomas, Nassau, Bahamas	<i>Senior Vice President</i>
J. H. Wilson, New York, N. Y.	<i>Senior Vice President and Treasurer</i>
C. L. Ayres, New York, N. Y.	<i>Vice President</i>
M. H. Farnsworth, Buenos Aires, Argentina	<i>Vice President</i>
K. B. Graf, Brussels, Belgium	<i>Vice President</i>
I. Graul, Rome, Italy	<i>Vice President</i>
R. L. Gunnels, New York, N. Y.	<i>Vice President</i>
F. W. Harrold, New York, N. Y.	<i>Vice President</i>
V. G. Hoppers, Beirut, Lebanon	<i>Vice President</i>
A. E. Killeen, Johannesburg, South Africa	<i>Vice President</i>
A. Makinsky, Paris, France	<i>Vice President</i>
J. W. Rintelen, New York, N. Y.	<i>Vice President</i>
W. H. Roberts, Tokyo, Japan	<i>Vice President</i>
J. B. Sherwood, Nassau, Bahamas	<i>Vice President</i>
D. G. Sisler, Lima, Peru	<i>Vice President</i>
J. H. Smit, New York, N. Y.	<i>Vice President</i>
W. O. Solms, Mexico City, Mexico	<i>Vice President</i>
C. P. Stephens, New York, N. Y.	<i>Vice President</i>
H. F. Wilds, Jr., Sydney, Australia	<i>Vice President</i>
A. S. Williams, London, England	<i>Vice President</i>
R. C. Munsche, New York, N. Y.	<i>Secretary</i>
T. M. Bainbridge, New York, N. Y.	<i>Controller</i>

COCA-COLA LTD. (CANADA)

J. Paul Austin	<i>Chairman, Board of Directors</i>
R. E. Sewell	<i>President</i>
F. G. Allen	<i>Vice President</i>
E. W. Grant	<i>Vice President</i>
E. T. Griffith	<i>Vice President</i>
L. M. Hunter	<i>Vice President</i>
G. J. Leonidas	<i>Vice President</i>
G. Pelletier	<i>Vice President</i>
W. F. Sherer	<i>Vice President</i>
C. W. I. Jackson	<i>Treasurer</i>
A. B. Ballentine	<i>Secretary</i>

LETTER TO STOCKHOLDERS

MARCH 2, 1963

Consolidated net profit for 1962, after reserves, taxes, and all other charges, was \$46,736,395, or \$3.38 per share. This compares with \$42,487,358, or \$3.08 per share in 1961.

It is gratifying to note the continually increasing world-wide acceptance of Coca-Cola. In the past year the product has set new all-time high records in sales, both at home and abroad. It is also gratifying to report that new high records in sales have been achieved during the past year in our other product lines. All those members of our world-wide organization who have contributed to this result have our warmest appreciation.

Moves in recent years to diversify our products and the sizes and types of containers in which they are sold have broadened our markets and given us greater opportunity for growth. Our continuing market research indicates some demand for a flavorful, low calorie, sugar-free beverage. We are currently test marketing such a beverage, in its own distinctive bottle, under the trademark "TAB."

The consolidated balance sheet, the statement of profit and loss, and the statement of earned surplus appear later in the report. A separate mailing will contain proxy forms and notice of the annual meeting of stockholders at 11 a.m., Eastern Daylight Time, on Monday, May 6, 1963, at the office of the Company, 100 West Tenth Street, Wilmington, Delaware.

For the Board of Directors

See Sweeny
Chairman

J. Paul Austin
President

THE COCA-COLA COMPANY AND SUBSIDIARIES

YEAR ENDED DECEMBER 31, 1962

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Net sales	\$567,687,256
Cost of goods sold	<u>288,035,973</u>
GROSS PROFIT.	\$279,651,283
Selling, administrative and general expenses . . .	<u>172,874,645</u>
OPERATING PROFIT	\$106,776,638
Other deductions.	\$9,637,794
Less other income	<u>4,852,551</u> 4,785,243
PROFIT BEFORE TAXES ON INCOME. . .	\$101,991,395
Provision for taxes on income.	<u>55,255,000</u>
NET PROFIT	<u>\$ 46,736,395</u>

CONSOLIDATED STATEMENT OF EARNED SURPLUS

Balance at January 1, 1962	\$218,896,719
Net profit for the year.	<u>46,736,395</u>
	\$265,633,114
Dividends paid in cash — \$2.40 per share	<u>33,169,466</u>
BALANCE AT DECEMBER 31, 1962 . . .	<u>\$232,463,648</u>

See Notes to Financial Statements

CONSOLIDATED

The Coca-Cola Company and

ASSETS

CURRENT:

Cash.	\$ 37,106,919
U. S. Government and other marketable securities — at cost (market price \$47,490,666)	47,399,092
Trade accounts receivable (less allowance of \$672,820)	37,510,441
Inventories.	84,934,682
Prepaid expenses.	<u>7,180,918</u>
TOTAL CURRENT ASSETS	\$214,132,052

MISCELLANEOUS INVESTMENTS AND

OTHER ASSETS.	22,027,525
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PROPERTY, PLANT AND EQUIPMENT:

At cost:

Land and improvements	\$ 27,095,043
Buildings	68,705,398
Machinery and equipment	130,172,653
Containers.	<u>15,981,903</u>
	\$241,954,997
Less allowance for depreciation	<u>96,827,394</u> 145,127,603

FORMULAE, TRADE-MARKS AND

GOODWILL — at cost	42,835,599
	<u>\$424,122,779</u>

BALANCE SHEET

Subsidiaries – December 31, 1962

LIABILITIES

CURRENT:

Notes payable	\$ 930,533
Accounts payable and accrued accounts.	41,604,803
Accrued taxes — including	
taxes on income	\$ 49,107,740
Less U. S. Government securities	
for payment of income taxes	<u>27,832,816</u> 21,274,924
Current maturities of long-term debt.	<u>7,018,560</u>
TOTAL CURRENT LIABILITIES	\$ 70,828,820

LONG-TERM DEBT. 6,573,647

RESERVE FOR UNREMITTED FOREIGN PROFITS. . . 61,391,928

CAPITAL STOCK AND SURPLUS:

Common stock — no par value:

Authorized	15,000,000 shares
Issued.	13,904,654 shares
	\$ 50,613,463
Capital surplus.	8,146,893

Earned surplus.	<u>232,463,648</u>
	\$291,224,004

Less 68,410 shares of stock held in

treasury — at cost	<u>5,895,620</u>	<u>285,328,384</u>
		<u>\$424,122,779</u>

NOTES TO FINANCIAL STATEMENTS

1. Foreign Operations. The consolidated balance sheet includes the following amounts with respect to subsidiaries and branches operating in foreign countries: current assets, \$66,716,202 (including cash and government securities totaling \$32,670,769); property, plant and equipment at depreciated cost, \$51,573,953; other assets, \$7,681,174; and liabilities, \$35,241,754. Property accounts have been converted at rates of exchange prevailing at dates of acquisition and all other assets and liabilities at approximate rates of exchange prevailing at December 31, 1962.

It is the established policy of the Company to include in consolidated net profit the entire net profit of the Canadian subsidiaries, but to include the net profit of other foreign subsidiaries only to the extent such profits have been remitted to the Company. Accordingly, the other deductions account includes a provision for unremitted foreign profits in the amount of \$5,063,646, representing foreign profits earned but not remitted in 1962.

2. Inventories are stated at the lower of cost (average or first-in, first-out method) or market except that inventories of certain major citrus concentrate products are stated at the lower of cost (last-in, first-out method) or market.

3. Long-Term Debt (exclusive of current maturities) consists of mortgages, principally on grove properties at 5% payable in installments through 1982.

4. Capital Stock. Options are held by officers and employees of the Company and its subsidiaries to purchase shares of the Company's common stock at prices ranging from \$41.80 to \$94.3125 per share. Further information relating to the outstanding options is as follows: Options outstanding at January 1, 1962, 271,486 shares; options granted during the year, 18,000 shares; options exercised during the year, 51,265 shares; options cancelled during the year through death, retirement or resignation, 13,135 shares; options outstanding at December 31, 1962, 225,086 shares; options exercisable at December 31, 1962, 45,909 shares.

5. Depreciation. Provision for depreciation in the amount of \$14,320,418 was charged to manufacturing and other expenses.

ACCOUNTANTS' REPORT

TO THE BOARD OF DIRECTORS
THE COCA-COLA COMPANY
WILMINGTON, DELAWARE

We have examined the consolidated financial statements of The Coca-Cola Company and subsidiaries as of December 31, 1962. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of profit and loss and earned surplus present fairly the consolidated financial position of The Coca-Cola Company and subsidiaries at December 31, 1962, and the consolidated results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

ERNST & ERNST

Certified Public Accountants

Atlanta, Georgia
February 28, 1963

TRANSFER AGENTS

Wilmington Trust Company
Wilmington, Delaware

Morgan Guaranty Trust Company of New York
New York, New York

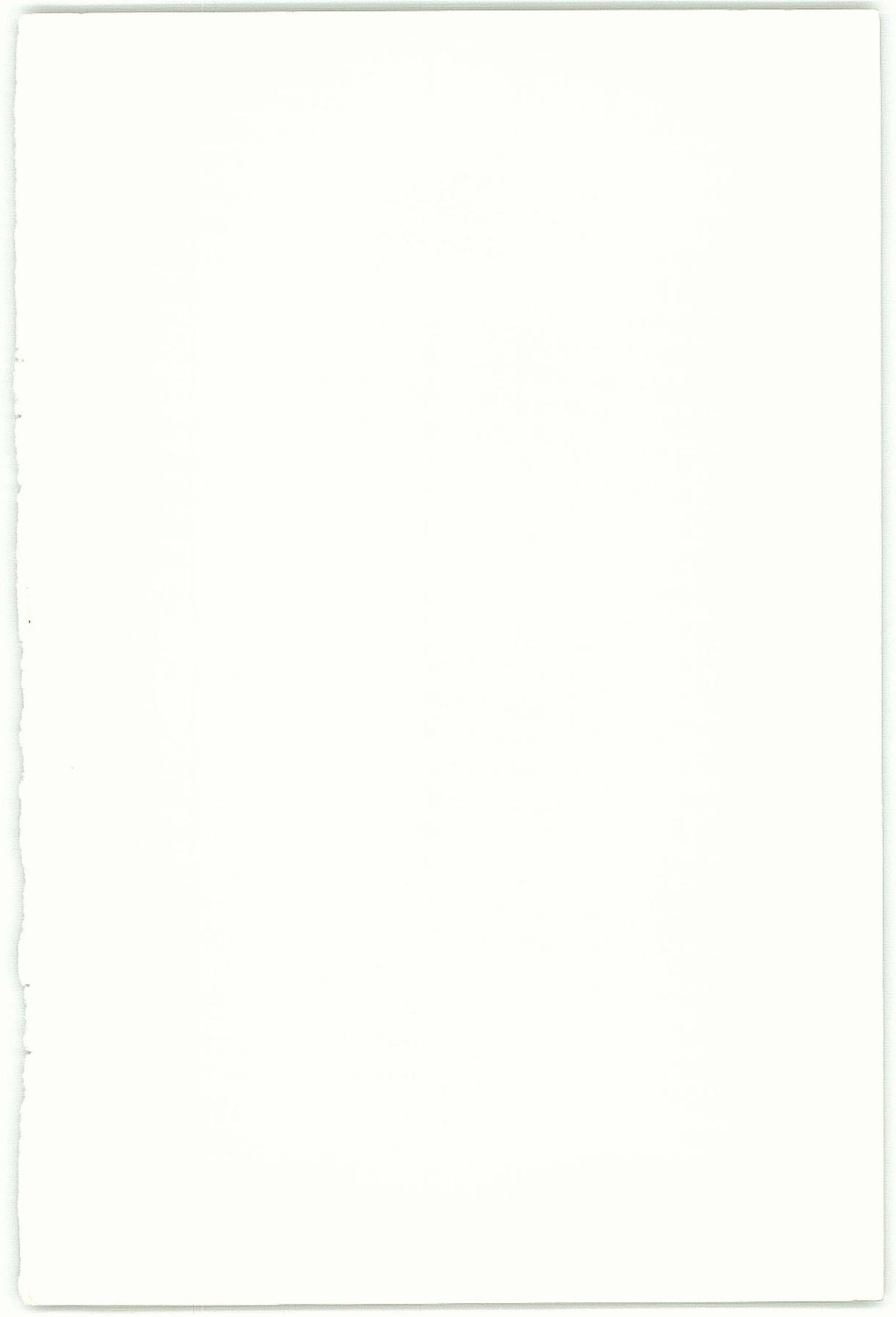
Trust Company of Georgia
Atlanta, Georgia

REGISTRARS

Bank of Delaware
Wilmington, Delaware

The Chase Manhattan Bank
New York, New York

The First National Bank of Atlanta
Atlanta, Georgia



The Pause that Refreshes

